

Prepared Statement
of
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Subcommittee on Disability Assistance and Memorial Affairs

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Introduction

Mr. Chairman and members of this distinguished subcommittee, thank you for the opportunity to be here today. It is my privilege to discuss disability compensation and survivor benefits, and to highlight Department of Defense initiatives in providing support to the severely injured.

Disability Compensation and Survivor Benefits

We applaud the Congress for providing the new Traumatic Injury Protection Insurance in the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109-13). This new benefit will pay \$25,000 to \$100,000 (based on the severity of the injury) to members insured under SGLI if they incur a traumatic injury; including, but not limited to, the loss of sight, hand, foot, speech, hearing, thumb and index finger, brain injuries that impair daily living, paraplegia, hemiplegia and quadriplegia. This is a permanent provision of law and will be effective on December 1, 2005. We will work closely with the Department of Veterans Affairs to implement this new program. Importantly, it will also be retroactive to October 7, 2001 for Service members wounded in Operation Enduring Freedom or Operation Iraqi Freedom.

I appreciate your committee's interest in this new legislation and possible additions or modifications to ensure it is optimal and able to be readily executed. But, I also want to express the Department's complete satisfaction with the existing statute. The Department would not favor any change that provided for a maximum amount of less than the current \$100,000, and would not support premium adjustments that would pass any cost attributable to the extra hazard of wartime service to the individual member.

The President proposed, and Congress passed in the Fiscal Year (FY) 2005 Supplemental Appropriations Act, a significant increase in the area of immediate cash compensation, for those whose death is the result of hostile actions, as well as any death in designated combat operations or areas, or deaths that occur while training for combat or performing hazardous duty.

The FY 2005 Supplemental Appropriations Act increases the immediate Death Gratuity payment to \$100,000 for survivors of those whose death is in a designated combat operation or combat zone, or occurred while training for combat or performing hazardous duty. Furthermore, this increased benefit is retroactive to October 7, 2001.

After a service member's funeral, the most substantial benefit is the life insurance proceeds from personal policies as well as from SGLI, or Servicemembers' Group Life Insurance. This is our principal insurance program and is under the purview of the Department of Veterans Affairs (VA), operated by the Office of Servicemembers Group Life Insurance (OSGLI), an arm of Prudential. SGLI provides up to \$250,000 of coverage for modest premiums paid by the member. The Department of Defense pays any costs associated with an increased number of deaths attributable to the extra hazards of military service compared to the number of deaths expected in peacetime. The FY 2005 Supplemental Appropriations Act increases the maximum amount of SGLI coverage to \$400,000 effective September 1, 2005, and provides that the Department will pay or reimburse the premiums for members who are deployed in a designated combat zone for \$150,000 of SGLI coverage. Until the effective date, the Supplemental provides for a special death gratuity of \$150,000, retroactive to October 7, 2001, for survivors of those whose death is in a designated combat operation or combat zone, or occurred while

training for combat or performing hazardous duty. Unfortunately, this increased SGLI authority expires on September 30, 2005, one month after it becomes effective. We note that the Senate Armed Services Committee proposed FY 2006 National Defense Authorization Bill would make this provision permanent, but H.R. 1815, the House Bill, has no similar provision. We urge your committee to propose and pass legislation to make the SGLI increase permanent.

Support to the Severely Injured

I would like to direct your attention to the many actions we have taken to assist our severely injured as they reintegrate into their hometowns across America. These troops and family members who sacrificed so much deserve nothing but our best effort to assist them on their return to civilian life. Each of the Services has initiated an effort to ensure that our seriously wounded Service members are not forgotten – medically, administratively, or in any other way. To facilitate a coordinated response, the Department has established the Military Severely Injured Center. We are collaborating, not only with the military Services, but also with other departments of the federal government, nonprofit organizations, and corporate America, to assist these deserving men and women and their families.

A number of our severely injured Service members will be able to return to duty, thanks to their dedication and commitment, and the phenomenal quality of military medicine. Some, however, will transition from the military and return to their hometowns or become new members of another civilian community. These are capable, competent, goal-oriented men and women – the best of our nation. They represent all the components bravely serving our nation – the active ranks, the National Guard and the

Reserve. We will ensure that during their rehabilitation we provide a “case management” approach to advocate for the Service member and his or her family. From the Military Severely Injured Center here in Arlington, Virginia, near the seat of government, to their communities across America, we will be with them. This will continue through their transition to the Department of Veterans Affairs, and the many other agencies and organizations providing support to them. Our goal is to provide long-term support to ensure that no injured Service member is allowed to “fall through the cracks”.

The Center continues to provide a central point of contact for information and support through a toll-free hotline, available 24 hours a day, 365 days a year. Families are a primary focus. Since the Center’s grand opening on 1 February, our staff of care managers has fielded calls from injured personnel, their families or caretakers, and has placed calls in outreach efforts to find those same families who may have gone unnoticed or may require assistance. We are also eager to do more for the spouses of injured personnel—who often become the primary breadwinners, or face career difficulties—as they cope with the difficulties of the reintegration process. Through the Military Severely Injured Center and other programs and initiatives, the Department of Defense has partnered with the Department of Veterans Affairs, the Department of Labor, the Department of Homeland Security, corporate America, and various levels of government to help ensure the myriad needs of our severely injured are met. Particularly successful has been the Center’s relationship with the VA in addressing and resolving specific VA benefits and health entitlement issues and concerns.

Conclusion

As you can see from the foregoing, the benefits and support provided are substantial. They come from a wide variety of programs and address a variety of concerns. They provide significant continuing income and are of great help to survivors in making their transition through the changes in life that inevitably follow a member's death. For example, a surviving spouse with young children has the potential to receive more than \$1/2 million in immediate cash payments and more than \$2 million over a lifetime.

Our objective is to ensure that we fully support our service members when we send them in harm's way, if they become severely injured, and that we properly support the family's needs if the service member dies on active duty. We are very appreciative of the enhanced death benefits and traumatic injury insurance provided for our members by Congress in the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005. We urge this committee to carefully review and retain the underlying intent of the traumatic injury protection insurance and to propose and pass legislation to make the SGLI increase permanent.

Again it is my privilege to be here today, and I thank you for the opportunity to discuss these critical issues that are so important to our dedicated young men and women in uniform today.